

AMENDED IN SENATE APRIL 27, 1999

AMENDED IN SENATE APRIL 13, 1999

SENATE BILL

No. 194

Introduced by Senator Rainey
(Principal coauthor: Assembly Member Leach)

January 19, 1999

An act to amend Section 99304 of the Public Utilities Code, relating to transportation.

LEGISLATIVE COUNSEL'S DIGEST

SB 194, as amended, Rainey. Transportation: local transportation fund: Metropolitan Transportation Commission.

(1) Existing law authorizes the board of supervisors of a county to establish a local transportation fund in the county treasury and deposit a portion of its sales and use tax revenues in the fund for allocation by the local transportation agency to transit operators. Interest or other income earned from the money in the fund accrues to the fund, except that the Metropolitan Transportation Commission is required to set aside the interest earned on any unallocated apportionment that has been set aside for an operator for specific future expenditures. When the apportionment is allocated to the operator, the commission is required to include that interest in the amount allocated. The commission is required to determine the interest amount based on its estimate of the average rate of interest earned by the unallocated apportionment during the prior fiscal year.

This bill would delete the requirements that the unallocated apportionment be one that has been set aside for an operator for specific future expenditures and that the commission determine the interest amount based on its estimate of the average rate of interest earned by the unallocated apportionment during the prior fiscal year.

The bill would require the unallocated apportionment to be invested in the Local Agency Investment Fund until it is allocated.

The bill would prohibit the commission from imposing certain requirements as a condition for setting aside the interest or including the interest in the apportionment.

Because the bill would thereby impose additional duties upon the commission, which is an entity of local government, the bill would impose a state-mandated local program.

(2) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement, including the creation of a State Mandates Claims Fund to pay the costs of mandates that do not exceed \$1,000,000 statewide and other procedures for claims whose statewide costs exceed \$1,000,000.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to these statutory provisions.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

The people of the State of California do enact as follows:

1 SECTION 1. Section 99304 of the Public Utilities
2 Code is amended to read:
3 99304. (a) If an unallocated apportionment, whether
4 delineated as a prior year reserve or otherwise, has been
5 set aside for an operator, the Metropolitan Transportation
6 Commission shall set aside annually the total interest
7 earned on the unallocated apportionment until the
8 unallocated apportionment is allocated, and shall include



1 the set-aside interest in the amount apportioned to that
2 operator.

3 (b) If an unallocated apportionment has been set aside
4 for an operator, the Metropolitan Transportation
5 Commission may not impose ~~any~~ *either* of the following
6 requirements as a condition for setting aside the interest
7 on the unallocated apportionment or including the
8 accrued interest in the amount apportioned to the
9 operator:

10 (1) A requirement that the unallocated
11 apportionment be set aside for a specific future
12 expenditure with a minimum cost.

13 ~~(2) A requirement that a specific project be endorsed~~
14 ~~in scope or funding by the Metropolitan Transportation~~
15 ~~Commission.~~

16 ~~(3) A requirement that the project be included in the~~
17 ~~adopted short-range transportation plan of the operator~~
18 ~~or in the countywide 5-year transportation plan.~~

19 ~~(4)–~~

20 (2) A requirement that the operator have requested
21 that the interest be set aside.

22 (c) The unallocated apportionment shall be invested
23 in the Local Agency Investment Fund created under
24 Section 16429.1 of the Government Code until it is
25 allocated.

26 SEC. 2. Notwithstanding Section 17610 of the
27 Government Code, if the Commission on State Mandates
28 determines that this act contains costs mandated by the
29 state, reimbursement to local agencies and school
30 districts for those costs shall be made pursuant to Part 7
31 (commencing with Section 17500) of Division 4 of Title
32 2 of the Government Code. If the statewide cost of the
33 claim for reimbursement does not exceed one million
34 dollars (\$1,000,000), reimbursement shall be made from
35 the State Mandates Claims Fund.

36 Notwithstanding Section 17580 of the Government
37 Code, unless otherwise specified, the provisions of this act

1 shall become operative on the same date that the act
2 takes effect pursuant to the California Constitution.

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